GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:648
ANSWERED ON:16.08.2007
INCREASE/DECREASE IN PRICES OF PETROLEUM PRODUCTS
Sugavanam Shri E.G.

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the details of prices increased or decreased on petrol, kerosene, LPG and other petroleum products during the last two years by the Union Government;

(b) whether the prices of the above items increased or decreased were in percentage of fall/ rise in global crude prices;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA PATEL)

(a): The details of major revisions in retail selling price for sensitive petroleum products during the last two years at Delhi are given as under:

As on	(Rs./litre)			(Rs./ cylinder)
	Petrol	PDS Kerosene	Diesel	Domestic LPG
1.4.05	37.99	9.05	28.22	294.75
04.05.05 (Vat rate reduced to 12.5% on diesel)	-	-	26.45	-
21.6.05	40.49	-	28.45	-
7.9.05	43.49	-	30.45	-
06.06.06	47.51	-	32.47	-
21.06.06 (Tax Rebate in VAT on petrol and diesel)	46.85	-	32.25	-
30.11.06	44.85		31.25	
16.02.07	42.85		30.25	
Current price (price revised on account of VAT revision Effective 06.06.07)	43.52	9.09	30.48	294.75

(b)to(d): The details of increase in international prices and domestic retail prices at Delhi are given as under:

	Crude Oil- Indian Basket ($/bbl)	Petrol ($/Ton)	Diesel	Kerosene	Domestic LPG
Mar'05	49.21	58.72	59.83	63.74	380.00
2005-06	55.72	64.51	64.70	69.43	481.04
2006-07	62.46	72.67	74.12	77.03	499.67
Percentage increase over March'05	26.9	23.7	23.9	20.9	31.5

Retail Selling Price (RSP) as on	Petrol (Rs./Litre)	Diesel	PDS Kerosene (Rs./ Cylinder)	Domestic LPG
1.4.05	37.99	28.22	9.05	294.75
31.03.07	42.85	30.25	9.09	294.75
Percentage increase	12.8	7.2	0.4	-

The Government has adopted the principle of equitable burden sharing amongst three stakeholders, namely, the consumers, the PSU oil companies and the Government to protect the interest of the common man and the vulnerable sections of society. Consequent to decline of crude oil prices in the international market, the prices of petrol and diesel were reduced on two occasions, i.e. on 30th November 2006 and on 16th February 2007. The basic price of PDS kerosene has not been revised since 1st March 2002 and the domestic prices of LPG was last revised on 5.11.04. The burden of increase in the international prices of crude oil has not, thus, been fully passed on to the consumers of petrol, diesel, kerosene and LPG.